

MINUTES

LAFCO REGULAR MEETING

Wednesday, December 10, 2003, 9:00 a.m.

Planning Commission Hearing Room, Hall of Administration
10 Civic Center Plaza, Santa Ana

(Any member of the public may request to speak on any agenda item at the time that item is being considered by the Commission.)

1. CALL TO ORDER

Chair Arlene Schafer called the regular meeting of the Local Agency Formation Commission (LAFCO) to order at 9:04 a.m.

2. PLEDGE OF ALLEGIANCE

Commissioner Susan Wilson led the pledge of allegiance.

3. ROLL CALL

The following commissioners and alternates were present:

- **Commissioner Randal Bressette**
- **Commissioner Bill Campbell**
- **Commissioner Peter Herzog**
- **Commissioner Arlene Schafer**
- **Commissioner Susan Wilson**
- **Commissioner John Withers**
- **Alternate Commissioner Robert Bouer**
- **Alternate Commissioner Rhonda McCune**
- **Alternate Commissioner James Silva**
- **Alternate Commissioner Charley Wilson**

The following LAFCO staff members were present:

- **General Counsel Clark Alsop**
- **Executive Officer Dana M. Smith**
- **Assistant Executive Officer Bob Aldrich**
- **Senior Project Manager Ken Lee**
- **Policy Analyst Kim Koeppen**
- **Policy Analyst Carolyn Thomas**
- **Policy Analyst Jay Wong**
- **Communications Analyst Danielle Ball**
- **Administrative Assistant Daphne Charles**

4. APPROVAL OF MINUTES

a.) November 12, 2003 – Regular Commission Meeting

MOTION: Approve minutes from November 12, 2003 without revision
(John Withers)
SECOND: Randal Bressette
FOR: Randal Bressette, Bill Campbell, Peter Herzog, Arlene Schafer,
James Silva, Susan Wilson, John Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

5. PUBLIC COMMENT

Chair Schafer requested public comments.

Dr. John Bollinger, a resident of Fullerton, presented before the Commission to express his opposition to the MCAS El Toro annexation to the City of Irvine, which was approved by the Commission at the November 2003 meeting. He asked the Commission to waive its standard fee for the request for reconsideration and urged that the Commission reconsider its decision to approve the annexation.

Kendall Neisess, a resident of Fullerton, also presented before the Commission to express his opposition to the MCAS El Toro annexation to the City of Irvine. He recommended that the Commission schedule a protest period to allow county residents to submit their formal opposition to the Commission's decision to approve the annexation.

Trudy Ohlig-Hall, a member of Mesa Consolidated Water District's board of directors, wished the Commission and staff a happy holiday season.

Commissioner Withers noted that Ms. Hall would represent ACWA Region 10 on the state-wide board of directors in 2004 and extended his congratulations.

Chair Schafer requested that legal counsel comment on the next steps for the El Toro annexation.

Legal counsel Clark Alsop stated that the Commission waived protest proceedings with 100% property owner consent and the consent of the affected agencies (i.e., the agencies that would change territory). He said that the Commission would be obligated to consider a request for reconsideration if the appropriate paperwork and filing fee were submitted within the 30-day request for reconsideration period following the Commission's approval of the annexation.

Commissioner Campbell asked if staff received the consent of the property owner and the affected agencies in writing. He also asked the amount of the filing fee required for a request for reconsideration.

Mr. Alsop confirmed that the consents were obtained in writing. Executive Officer Smith responded that the filing fee for a request for reconsideration is \$3,150.

Commission Withers mentioned that Dr. Bollinger had requested that the Commission waive the fee associated with the request for reconsideration.

Mr. Alsop reminded the Commission that the request for fee waiver was not on the Commission's agenda, adding that no action may be taken on off-agenda items unless authorized by law.

Executive Officer Smith indicated that Dr. Bollinger had submitted the appropriate paperwork for the request for reconsideration but not the associated fee. She said that the deadline for submitting a complete request for reconsideration would be Friday, December 12 at 5 p.m. She said that, in the absence of a complete request for reconsideration, staff could record the certificate of completion any time after December 12. She added that the land would officially transfer into the jurisdiction of the City of Irvine upon recordation of the certificate of completion.

Chair Schafer requested additional comments from the public and received no response. She closed the public comment agenda item.

6. CONSENT CALENDAR

a.) Selman Annexation to the Orange County Sanitation District (DA 03-06)

MOTION: Approve consent calendar (**Randal Bressette**)
SECOND: John Withers
FOR: Randal Bressette, Bill Campbell, Peter Herzog, Arlene Schafer,
James Silva, Susan Wilson, John Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

7. PUBLIC HEARING

None

8. COMMISSION DISCUSSION

- a.) Update re the Municipal Service Review (MSR) Program
- b.) Amendment to Local CEQA Guidelines re MSRs and Spheres of Influence
- c.) OCLS III Update

- 8a.** Senior Project Manager Ken Lee presented an update regarding LAFCO's Municipal Service Review (MSR) Program, summarizing staff activity related to the program over the past few months leading up to the kick-off of the two MSR prototypes in January. He said that staff and the MSR oversight committee have worked diligently to create a stakeholder-driven working group process. He indicated that Executive Officer Smith and staff had met personally with each stakeholder in the two working groups in addition to meeting with Supervisors Silva and Campbell, who both offered support and agreed to appoint working group members from the major unincorporated territories.

Mr. Lee stated that the strategic use of contract facilitator Sharon Browning would enable staff to actively participate in the working groups. He stated that staff would also provide staff support to the working groups by conducting research, doing data collection, and developing reports. He added that the consulting teams from The Keith Companies (TKC) and Economic & Planning Systems (EPS) would also be available to provide water/sewer and fiscal consulting services respectively as needed.

Chair Schafer asked how long staff would work with the two prototypes. Mr. Lee estimated that the study of the two prototype areas would take seven to nine months, adding that the working groups would convene every three weeks or so during that period of time. He said that the MSR process would be evaluated (and modified, if need be) at the conclusion of the initial prototype studies and before it is implemented in the remaining focus areas of the county.

Mr. Lee concluded his presentation by providing an overview of the two prototype areas under consideration (Rossmoor/Los Alamitos/Seal Beach/Sunset Beach and Orange/East Orange/Orange sphere of influence) and the stakeholder agencies associated with each.

Commissioner Campbell asked why the City of Huntington Beach wasn't included as a key stakeholder for the Rossmoor/Los Alamitos/Seal Beach/Sunset Beach prototype area. Mr. Lee responded that Rossmoor residents had raised some governance issues about their future options. He added that the municipalities located on the fringe of each of the prototype areas would be included later in the process.

Commissioner Campbell asked about spheres of influence. Mr. Lee responded that both Rossmoor and Sunset Beach are not included in any of the cities' spheres of influence.

Commissioner Bressette mentioned that Rossmoor, Seal Beach, and Los Alamitos have unique governance and special district delivery issues that do not affect the City of Huntington Beach. Mr. Lee confirmed that statement, indicating that, for example, Sunset Beach has its own sanitary district which is physically separate from the City of Huntington Beach.

At **Commissioner Campbell's** request, Mr. Lee clarified the city boundaries delineated on the map utilized in the staff presentation.

Executive Officer Smith commented that, with more than a half-dozen unincorporated communities scattered around Orange County, the County will play a significant role in the MSR Program. She said that the information gathered through the program would forecast governance and service provision needs twenty years into the future, offering the County an opportunity to establish critical policy and strategic development options for dealing with these areas.

Commissioner Campbell commented that the Inter-Canyon League would definitely be represented on the working group for Orange/East Orange/Orange sphere of influence, adding that he was deliberating the inclusion of El Modena, as well.

Commissioner Withers indicated that he and **Commissioner C. Wilson** had met with a group of stakeholders from Rossmoor/Los Alamitos/Seal Beach/Sunset Beach. He said that each was able to offer unique perspective and insights. He said that staff and oversight committee continue working to make the process inclusive, adding that the special districts have also indicated an interest in being involved. He said that the challenge would be in getting past all of the political issues.

Commissioner Silva thanked **Commissioners Withers** and **C. Wilson** for meeting with Rossmoor, adding that he personally meets with the Rossmoor folks four to five times annually. **Commissioner Silva** said that he has encouraged Rossmoor residents to proactively consider all of the community's options before they're forced into an annexation by state law. He further commented on the peculiarity of Huntington Beach and Seal Beach's boundaries, which often results in delayed police response. He indicated that fire access is also precarious. He said that, in his opinion, Sunset Beach should be part of the City of Huntington Beach, but he added that these kinds of issues are political powder kegs, including the ultimate fate of Rossmoor. He explained that while Rossmoor would like to be its own city, it lacks the economic base. At the same time, he added, annexation to either the City of Los Alamitos or Seal Beach would be a difficult sell, as Rossmoor would be a fiscal liability to either city. He asked staff to supply fiscal information to Rossmoor as soon as possible.

Commissioner Campbell suggested that the Rossmoor shopping center could be detached from the City of Seal Beach to secure a tax base for Rossmoor, acknowledging that the City of Seal Beach wouldn't likely be a proponent of the idea.

Executive Officer Smith commented that the eventual solution may be found in revenue sharing options, adding that she hoped that the MSR Program would inspire creative thinking and a range of potential solutions.

Chair Schafer commended staff and the MSR oversight committee (**Commissioners Herzog, C. Wilson, S. Wilson, and Withers**) for their hard work and commitment to the program.

- 8b.** Executive Officer Smith deferred to the written staff report outlining the proposed amendments to LAFCO's local CEQA guidelines, recommending that the Commission amend its CEQA guidelines to clarify that MSRs are considered "feasibility or planning studies" that are statutorily exempt from CEQA and establish thresholds to clarify that CEQA is not triggered unless the Commission takes action or makes determinations to amend a local agency's sphere of influence.

MOTION: Approve amendment to local CEQA guidelines as outlined in staff report (Bill Campbell)
SECOND: Peter Herzog
FOR: Randal Bressette, Bill Campbell, Peter Herzog, Arlene Schafer, James Silva, Susan Wilson, John Withers
AGAINST: None
ABSTAIN: None
MOTION PASSED

- 8c.** Executive Officer Smith said that registration information for OCLS III had been sent to all cities and special districts in Orange County, in addition to the seven regional agencies sponsoring the event. She said that registrants would be accepted on a first come, first served basis. She indicated that 35 people had registered to date.

Commissioner Withers asked for the capacity of the event. Ms. Smith responded that space constraints at the facility limit the capacity to around 75 participants.

9. COMMISSIONER COMMENTS

Chair Schafer wished the Commission and staff a happy and safe holiday season. She then requested additional comments from the commissioners.

Commissioner McCune commented that the divisiveness of the El Toro annexation issue was evident in the Commission's split vote in November. She acknowledged that many members of the public and the Commission alike were left unhappy with the outcome. She indicated that she served as president of the Orange County division of the League of California Cities back when MCAS El Toro was initially closed by the federal government and that she had feared the acrimony that developed between north and south county about the reuse of the base. She said that she personally was disappointed with the outcome – that the entire territory of the base that once belonged to all Orange County residents would soon be under the jurisdiction of one municipality, the City of Irvine. She recommended, however, that everyone move forward despite their disappointment.

Receiving no additional response, **Chair Schafer** closed the commissioner comment agenda item.

10. INFORMATIONAL ITEMS

None

11. CLOSED SESSION

None

12. ADJOURNMENT

Chair Schafer adjourned the meeting at 9:48 a.m.

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DANA M. SMITH
Executive Officer
Orange County Local Agency Formation Commission

By: _____
Danielle M. Ball
Commission Clerk